



State of Utah

DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

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November 19, 1991

Mr. Joe D. Bierschied
San Rafael Energy Corporation
P. O. Box 398
Moab, Utah 84532

Dear Mr. Bierschied:

Re: Updated Reclamation Estimate, Radium King Mine, M/037/007,
San Juan County, Utah

Please find attached the Division's recently updated reclamation estimate for the Radium King mine. The new estimate is based on information obtained from the BLM and a site visit conducted September 24, 1991. The estimate has also been escalated to 1996 dollars. All of our surety estimates are now being done to conform to a five-year time frame.

You will need to submit the new surety, along with the enclosed, updated reclamation contract, and complete the enclosed Certificate of Deposit letter (if this is the type of surety you choose). To complete the transfer, the Board of Oil, Gas and Mining will have to approve the new form and amount of surety. The Division has the original November 13, 1989 transfer document, which has been signed by Atlas and San Rafael Energy. The transfer document still requires our Director's signature. This will be accomplished once the surety is approved. The document indicates a disturbance of 24 acres, the Division will amend this to read 20 acres.

If you have further questions or comments please contact me.

Sincerely,

Holland Shepherd
Senior Reclamation Specialist

jb

Attachments

cc: Richard Blubaugh, Atlas Corp., Denver
Bob Turri, BLM, San Juan RA
Wayne Hedberg, DOGM

M037007.2

Atlas Corporation
Radium King Mine
M/037/007

Reclamation Surety Estimate
(November 6, 1991)

1. ***East Channel Site***
 - A. **Mine Camp**

Revegetate Approximately	8 acres
General Clean-up	2 acres
 - B. **Lagoon Area**

Revegetate	1.4 acres
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 - C. **Large Waste Dump Regrade Portion**

Revegetate	4 acres
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 - D. **Large Waste Dump Ungraded Portions**

Revegetate	5 acres
Regrade	5 acres
Backfill & Seal Portal	(1 each)
General Clean-up	2 acres
 - E. **Small Waste Dump**

Revegetate	.5 acres
Regrade	.5 acres
 - F. **Small Portals & Work Area**

Revegetate	1.45 acres
Regrade	1.45 acres
Backfill & Seal Portals	(2 each)
Remove Structures	(2 each)
2. ***West Channel Site***

N/A - Pre Law
3. ***Totals***

Revegetate	20 acres
Regrade	6.95 acres
Backfill & Seal Portals	(3 each)
Remove Structures	(2 each)
General Clean-up	4 acres

Prepared by
Utah State Division of Oil, Gas and Mining
November 15, 1991

Description	Qty	Unit	\$/Unit	Cost(\$)
Facilities Reclamation				
Seal by Backfilling Large Portal	1	Each	500	500
Seal by Backfilling Small Portals	3	Each	300	900
Burn and Bury 3 Old Structures	1	Sum	***	0
General Reclamation				
General Clean-up	4	Acre	100	400
Grade to Uniformity	7	Acre	400	2,800
Revegetate	20	Acre	402	8,040
Mobilization	1	Sum	***	500
SUBTOTAL				13,140
+10% CONTINGENCY				1,314
SUBTOTAL				14,454
ESCALATION (1.45% FOR 5 YRS)				1,079
TOTAL (1996 Dollars)				15,529
Rounded Total				\$15,500

Note: (b) Most of the site was regraded and buildings removed in the fall of 1988. This estimate covers the required reclamation for the remainder of the site.

RECLAMATION ESTIMATE FOR THE RADIUM KING MINE
M/037/007
page 2

Revegetation Cost per Acre	Qty	Unit	\$/Unit	Cost(\$)
Bare Costs				
Fertilizer (18-46-0)	100	Pounds	0.25	25 *
Seed Mix	15	Pounds	9	135
Native Hay Mulch	2	tons	50	100 *
Subtotal				260
Application Costs				
Native Hay Mulch (hand spread)	3.0	Hours	24	72 *
Native Hay Mulch (disc)	0.3	Hours	67	23 -
Fertilizer (broadcast by Hand)	0.5	Hours	24	12 *
Seed Mix (drilled)	0.5	Hours	24	12
Scarify (tractor with chain)	0.3	Hours	67	23
Subtotal				142
Total Revegetation Cost per Acre				402